

Council/Agency Meeting Held: _____	City Clerk's Signature _____
Deferred/Continued to: _____	
<input type="checkbox"/> Approved <input type="checkbox"/> Conditionally Approved <input type="checkbox"/> Denied	
Council Meeting Date: 10/17/2005	Department ID Number: ED 05-29

CITY OF HUNTINGTON BEACH REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS
SUBMITTED BY: *Penelope Culbreth* PENELOPE CULBRETH-GRAFT, DPA, CITY ADMINISTRATOR
PREPARED BY: PAUL EMERY, ACTING DIRECTOR OF ECONOMIC DEVELOPMENT
SUBJECT: Approve a Resolution of the City of Huntington Beach Committing HOME Federal Housing Funds to the Pending Studios at Center Affordable Housing Project

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 2005 OCT 10 AM 9:08
 CITY CLERK
 CITY OF
 HUNTINGTON BEACH

Statement of Issue, Funding Source, Recommended Action, Alternative Action(s), Analysis, Environmental Status, Attachment(s)

Statement of Issue: The City was recently notified by the U.S. Department of Housing and Urban Development (HUD) that it intends to recapture from all jurisdictions any federal HOME Investment Partnership Program housing funds that have not been committed by October 30, 2005. In order to preserve the City's current balance of \$875,6000 of HOME Program funds, the Council is requested to approve the attached resolution, which will commit the balance of these funds to the proposed Studios at Center affordable housing project. The Disposition and Development Agreement (DDA) for the Studios at Center project is anticipated to be submitted to the Redevelopment Agency for consideration in early 2006.

Funding Source: \$875,600 of HOME Program Funds, Account Numbers 85180401 and 85280401.

Recommended Action: Motion to:

1. Approve Resolution No. 2005-68; A Resolution of the City of Huntington Beach Committing HOME Federal Housing Funds to the Pending Studios at Center Affordable Housing Project.

Alternative Action(s): Do not approve the attached resolution and direct staff to commit the HOME Program funds to an alternative affordable housing project.

E-4

REQUEST FOR ACTION

MEETING DATE: 10/17/2005

DEPARTMENT ID NUMBER:ED 05-29

Analysis: HUD recently notified the City that it intends to recapture from all jurisdictions any HOME Program housing funds that have not been committed by October 30, 2005. The City currently has a balance of \$875,600 of uncommitted HOME Program funds. These funds have been preserved to finance the proposed Studios at Center affordable housing project. The Redevelopment Agency's consideration of a Disposition and Development Agreement (DDA) for the Studios at Center project; however, is contingent upon approval of the currently pending Edinger Corridor Specific Plan, which is anticipated to be submitted to the Council for approval by the end of 2005. Approval of the attached resolution committing HOME funds to the Studios at Center project will preserve these funds for the project until its DDA can be considered for approval. Staff anticipates that this will occur in early 2006.

Approval of the proposed resolution at this time will not compel the Agency to approve the proposed DDA for the Studios at Center project. It will only preserve the funds for the project in the event that the DDA is approved by early 2006. Should the Agency not approve the Studios at Center project DDA, the City must then immediately recommit the federal HOME Program funds to an alternative affordable housing project in order to avoid the recapture of these funds by the federal government.

Environmental Status: Not Applicable.

Attachment(s):

City Clerk's Page Number	No.	Description
3	1.	Resolution No. <u>2005-68</u> ; A Resolution of the City of Huntington Beach Committing HOME Federal Housing Funds to the Proposed Studios at Center Affordable Housing Project.

E-4.2

CITY RESOLUTION 2005-68

ATTACHMENT 1

E-4.3

**INTENTIONALLY
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RESOLUTION NO. 2005-68

**A RESOLUTION OF THE CITY OF HUNTINGTON BEACH COMMITTING HOME
FEDERAL HOUSING FUNDS TO THE PENDING STUDIOS AT CENTER
AFFORDABLE HOUSING PROJECT**

WHEREAS, the City of Huntington Beach (hereinafter the "City") is a program recipient in the U. S. Department of Housing and Urban Development ("HUD") HOME Investment Partnership Program (hereinafter referred to as the "Program"); and

The Redevelopment Agency of the City of Huntington Beach (the "Agency") has State mandates to construct affordable housing; and

Affordable housing is needed to provide housing for our citizens; and

Center Partners, LLC has identified an affordable housing project known as the Studios At Center Project; (the "Project") and

The Agency's funding assistance is required and has been requested by Center Partners to construct the Project; and

In order to provide the funding assistance, the Agency will require a Disposition and Development Agreement (DDA) for regulation of the Project; and

HUD has required the City to provide a funding commitment to the Project by October 31, 2005, or HUD will recapture its HOME funds provided to the City; and

The City's HOME funds will be available to the Project, conditioned upon Center Partners, LLC reaching agreement with the Agency on the DDA,

NOW, THEREFORE, The City Council of the City of Huntington Beach does hereby resolve as follows:

E-4.4

1. That all of the City's current HOME program funds, in the approximate amount of \$875,600.00, is committed to the Project, conditioned upon Center Partners, LLC reaching agreement with the Agency on the DDA.

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on _____, 2005.

Mayor

APPROVED AS TO FORM:

Jennifer M. Galt
City Attorney *file 9/28/05*

REVIEWED AND APPROVED:

Penelope Cullin
City Administrator

INITIATED AND APPROVED:

[Signature]
Director of Economic Development

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